

Wellcom Group Limited (ASX:WLL)

Results for Announcement to the Market

Preliminary Final Report of Wellcom Group Limited

for the year ended 30 June 2008

This preliminary final report is provided to the Australian Securities Exchange (ASX) under ASX Listing Rule 4.3A.

Current reporting period:	Financial year ended 30 June 2008
Previous corresponding period:	Financial Year ended 30 June 2007

Contents

Results for announcement to market, based on the audited financial report of Wellcom Group Limited for the year ended 30 June 2008.

Additional Information

Additional Appendix 4E disclosure requirements can be found in the annual financial report for the year ended 30 June 2008 of Wellcom Group Limited, lodged in conjunction with this report.

The information contained in this report is to be read in conjunction with any announcements made to the market by Wellcom Group Limited during the financial period.

For further information on Wellcom Group Limited, please visit our website at: www.wellcom.com.au

Results for announcement to the market

Revenue and earnings

Revenue from ordinary activities increased by 46.5% to \$77.86m (2007: \$53.14m).

Earnings before interest, income tax and depreciation and amortisation (EBITDA) increased by 37.6% to \$16.05m (2007: \$11.66m).

Earnings before interest & income tax (EBIT) increased by 47.8% to \$12.02m (2007: \$8.13m).

Profit from ordinary activities after tax attributable to members increased by 34.9% to \$7.86m (2007: \$5.82m).

Net profit after tax for the period attributable to members increased by 34.9% to \$7.86m (2007: \$5.82m).

Dividends

A 100% franked final dividend of 6 cents per ordinary share was paid on 4 October 2007. The total amount of the dividend paid was \$2,351,400.

A 100% franked interim dividend of 6 cents per ordinary share was paid on 26 March 2008. The total amount of the dividend paid was \$2,351,400.

Total dividends paid during the financial year were 12 cents per ordinary share. The total amount paid was \$4,702,800.

A 100% franked final dividend of 7 cents per ordinary share was declared on 22 August 2008. The record date for determining entitlements to the final dividend is 12 September 2008. The final dividend will be paid on 24 September 2008. The total amount of the final dividend to be paid is \$2,743,300. As this dividend was not declared prior to the end of the financial year it has not been recognised in the accounts for the year ended 30 June 2008.

Total dividends paid or declared in relation to the financial year ended 30 June 2008 were 13 cents per ordinary share. The total amount paid or payable is \$5,094,700.

There are no dividend reinvestment plans or share buybacks currently offered or in operation.

Explanation of Results

Operating results for the year

Revenue

Operating sales revenue was \$77.86m, an increase of 47% over the previous financial period (2007: \$53.14m). Organic growth in the Australian pre-media business contributed a 9% increase in sales, with the first time inclusion of Keene Reprro Limited (UK) and Visualise IT (New Zealand) contributing \$9.18m and \$0.31m in sales respectively. The full year contribution of Kinkaid Pty Ltd (Cadillac Printing) contributed the balance.

Profit and Loss

Total EBIT of \$12.02m (2007: \$8.13m) increased by 48% due to the increase in sales and the maintenance of margins. The EBIT increase was achieved after a 14% increase in depreciation and amortisation charge. Cash costs and productivity improvements are focussed on consistently.

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 37% to \$16.05m for the period.

Net profit after tax (NPAT) increased by 35% to \$7.86m for the period, with the lower growth rate reflecting higher funding costs associated with the purchase of Keene Repro Limited. The tax rate remained steady at 29%.

Capital expenditure excluding business purchases for the period was \$2.02m (2007: \$3.64m).

Shareholder returns

The Company is pleased to report that returns to shareholders, both through dividends and capital growth, continues to reflect the strength and stability of the business.

Our financial measures for the financial period are:	2008	2007
Basic earnings per share (cents)	20.05	14.86
Earnings per share excluding intangible amortisation (cents)	21.60	16.70
Return on net assets (%)	16.64%	12.90%
Return on net assets excluding goodwill & intangibles (%)	52.22%	34.60%
Dividend payout ratio (%)	64.83%	74.01%

Net tangible assets per security

Net tangible assets per security at 30 June 2008 was 38.39 cents (2007: 42.96 cents).

Entities over which control has been gained or lost

<u>Name of entity/business</u>	<u>Date of the gain of control</u>	<u>Ownership Interest</u>
Keene Repro Limited	1 October 2007	100%

On 1 October 2007 Wellcom purchased 100% of the issued capital of Keene Repro Limited (Keenes). Keenes is a pre-media business based in London, UK.

There has been no change in control over the 50% controlled joint venture entity, iPrint Corporate Pty Ltd, the 50% interest in Kinkaid Pty Ltd (trading as Cadillac Printing), or the 100% owned subsidiary, Wellcom Moving Images Pty Ltd. There are no other entities over which Wellcom Group Limited exercises control.

Subsidiary and Joint Venture entities

<u>Name of Subsidiary/Joint Venture entity</u>	<u>Ownership Interest</u>	<u>Entity Net Profit (Loss) After Tax</u>
Keene Repro Limited	100%	\$ 1.07M
iPrint Corporate Pty Ltd	50%	\$ 2.22M
Wellcom Moving Images Pty Ltd	100%	Immaterial
Kinkaid Pty Ltd	50%	\$(167k)
